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August 21, 1987

Mr. William J. Almas Energy Fuels Nuclear, Incorporated One Tabor Center, Suite 2500 1200 Seventeenth Street Denver, Colorado 80202

Dear Mr. Almas:

Re: Sahara Mine, M/O15/O26, Emery County, Utah and Hillside Complex, M/O37/O15, San Juan County, Utah

A good job has been done in cleaning up the Sahara Mine site and a continued suspension period of 18 months is therefore granted. If the mine continues on standby, we will expect Energy Fuels Nuclear, Inc. to submit a plan by March 1, 1989, for either the final reclamation of the site or for the repair and stabilization of the erosion problems. The dirt work and seeding should be done no later than the fall of 1989.

I cannot justify having the minerals permit team visit the Hillside Complex at this time. We have reviewed the case file; however, and we concur with Frank Filas's reclamation appraisal. I would be more than happy to have the minerals team visit the site with you prior to when the mines are to be reclaimed. Any minor details can be ironed out at that time.

We hope that Energy Fuels Nuclear will proceed with the reclamation of all of its nonviable mine sites in Utah. We will require notice prior to such reclamation activity, but detailed plans for the small sites, such as Straight Creek or the Hillside Complex, are not required. Please contact Frank Filas or me if you should have any remaining questions.

Sincerely.

Swee P Bruft Lowell P. Braxton

· Administrator

Mineral Resource Development and Reclamation Program

FJF/clj cc F. Filas 1243R/54